



89 Houses, or 170-High-Paying Jobs?

Posted by **Pierluigi Oliverio** on Tuesday, September 07, 2010

On April 18, 2006, the City Council unanimously approved the Guadalupe Mines General Plan amendment, changing the zoning from Research & Development to Residential. At that same meeting, the Council debated other industrial conversions along Old Oakland Road/Rock Avenue, and voted to convert all of the employment-land parcels that night to housing.

Now, four years later, on Aug. 31, the Council heard a proposal for housing on the Guadalupe site for 89 single family homes. The issue for many who spoke at the meeting was that this piece of land is against a creek and the city's Riparian Corridor policy should be adhered to. (A riparian corridor is another term for a waterway. The purpose is to make sure that developments are not built right next to a as a creek, river, etc..)

Although the internet is great for providing maps and aerial views, I prefer going out to the sites of land-use items that are on the council agenda. I drove through the existing neighborhood across the street from the proposed development to know more about it, and finally drove and walked the parcel.

The thing that struck me is that I saw many parked cars. I looked up and recognized the name on the building, Monolithic Power Systems (MPS). MPS is a \$240 million analog semiconductor company whose global headquarters are in San Jose. I went into the lobby, introduced myself and asked for the Chief Financial Officer (CFO). While I was waiting, I noticed people were coming in for job interviews. I later found out they had 11 open positions they were hiring for this location on top of the 160 current employees in San Jose.

I met with Richard, the CFO, and he gave me the history of the company which started in Los Gatos and then moved to San Jose. MPS ranks as one of the fastest-growing companies in Silicon Valley. The CFO told me they like the location and would really like to stay, but they understand they do not own the property. They like the location so much they offered to buy the building—and an additional vacant building, even though they did not need it to sweeten the pot. So they

put in an offer for the market price for R & D office space and a housing developer put in a bid as well, based on building houses. We know that housing trumps jobs for the cost of land. So the private property owner chose the higher bid.

The CFO understands they will have to move, so I asked what about Edenvale or North San Jose? He responded that San Jose is not on the short list, as they have looked at properties in other cities based on where executive management lives.

Understanding the rezoning was done four years ago, I could not vote for housing knowing the city of San Jose would lose a corporate headquarters and 170 really well-paid jobs. As a result, I voted 'no,' as I did not want to associate myself forcing a technology company to move out of San Jose. My colleague Councilmember Kalra also voted 'no,' citing concerns from the dais about the development being too close to the creek. Final vote was 8-2 in favor of housing.

PS: I highly recommend seeing the documentary The Tillman Story at the Camera Cinemas. It is the story of San Jose native Pat Tillman. It is a must- see and good on many levels. Do not wait for Netflix.

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